

DISCLAIMER

This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, JULY 18, 2002

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

CASE NO. PUC-2001-00226

Ex Parte: Establishment of a
Performance Assurance Plan
for Verizon Virginia Inc.

ORDER

On October 30, 2001, the State Corporation Commission ("Commission") initiated a proceeding docketed in Case No. PUC-2001-00206¹ to establish performance standards for Verizon Virginia Inc. ("Verizon Virginia") and further determined that it would consider all proposals for a remedy or performance assurance plan ("PAP") for Verizon Virginia in a separately docketed case, which was established by Preliminary Order herein on November 9, 2001.

On December 21, 2001, Verizon Virginia filed a revised proposed PAP for consideration, which was based upon the New York Performance Assurance Plan ("NY PAP") scaled to the

¹ Ex Parte: Establishment of Carrier Performance Standards for Verizon Virginia Inc., Case No. PUC-2001-00206, Order for Notice and Comment or Requests for Hearing, issued October 30, 2001.

Virginia market.² Further discussions ensued between the Staff and members of the Performance Standards/Remedies Plans Subcommittee of the Collaborative Committee ("Subcommittee").³ On April 9, 2002, Verizon Virginia filed a new PAP (hereinafter "VA PAP") that represented the consensus product of the Subcommittee.⁴ Following comments filed on April 26, 2002, and May 8, 2002, Verizon Virginia indicated on June 28, 2002, that the effective date for the VA PAP of October 1, 2002, would be acceptable.⁵

On July 10, 2002, comments were filed by Verizon Virginia, MCI WorldCom, Inc. ("MCI"), and AT&T Communications of Virginia, LLC ("AT&T"). In those comments, Verizon Virginia supported its proposed effective date of October 1, 2002; MCI requested immediate adoption of the VA PAP, with the VA PAP becoming effective immediately, and in any event no later than October 1, 2002; and AT&T requested that the VA PAP become effective immediately upon adoption.

The proposed VA PAP is the fulfillment of Verizon Virginia's duty as imposed by our Order approving the merger of

² Pursuant to the Third Preliminary Order, consideration was limited to adopting the NY PAP scaled to the Virginia market.

³ Fourth Preliminary Order issued April 17, 2002, p. 1.

⁴ Id.

⁵ Fifth Preliminary Order issued June 28, 2002.

Verizon Virginia Inc. (f/k/a Bell Atlantic Corporation and operating in Virginia as Bell Atlantic-Virginia, Inc.) and GTE Corporation (formerly operating in Virginia as GTE South Incorporated and now as Verizon South Inc.).⁶

In this regard, we note that it remains for Verizon South Inc. ("Verizon South") to establish performance standards and a remedy plan in compliance with the aforementioned Merger Order. In considering the competitive impact of that merger in Virginia, we noted that the

Commission received evidence in this case regarding whether to impose conditions upon the merger to ensure that GTE South opens its market area to competition and enables others to make efficient use of its operations support systems. We adopt the approach to this issue suggested by the Staff and will establish a collaborative committee, under the supervision of the Director of the Division of Communications, or his designee, to consider and recommend measures to the Commission on these and other issues, including appropriate remedies should the subject telephone companies fail to meet any performance standards ultimately adopted through the collaborative committee process. We will issue a separate order establishing a docket and procedural schedule on this matter expeditiously. We will order BA-VA and GTE South to designate representatives to participate in the collaborative committee.⁷

⁶ Order Approving Petition, issued November 29, 1999, Case No. PUC-1999-00100 ("Merger Order").

⁷ Id. at 5.

As we later noted in the Final Order closing Case No. PUC-2000-00026, the Collaborative Committee has begun addressing both performance standards and a remedy plan for Verizon South.⁸ We look forward to the Collaborative Committee reaching agreement on specific performance standards and a remedy plan for Verizon South as expeditiously as possible, and we are confident that Verizon South will fully cooperate on the collaborative effort.⁹

NOW THE COMMISSION, upon consideration of the applicable law, the VA PAP, and the filed comments, is of the opinion and finds that the VA PAP satisfies the requirement of Verizon Virginia to establish appropriate remedies for failure to meet performance standards and should be adopted as filed. The proposed effective date of October 1, 2002, for the VA PAP is reasonable and is adopted herein.

Accordingly, IT IS ORDERED THAT:

(1) The VA PAP is hereby approved and adopted, effective October 1, 2002, consistent with the findings above.

(2) This case shall be continued.

⁸ Final Order, n.2, Case No. PUC-2000-00026, issued April 26, 2002.

⁹ We also note that an adoption of a remedy plan does not preclude this Commission from considering other regulatory remedies available under Virginia statutes and regulations as may be deemed necessary.